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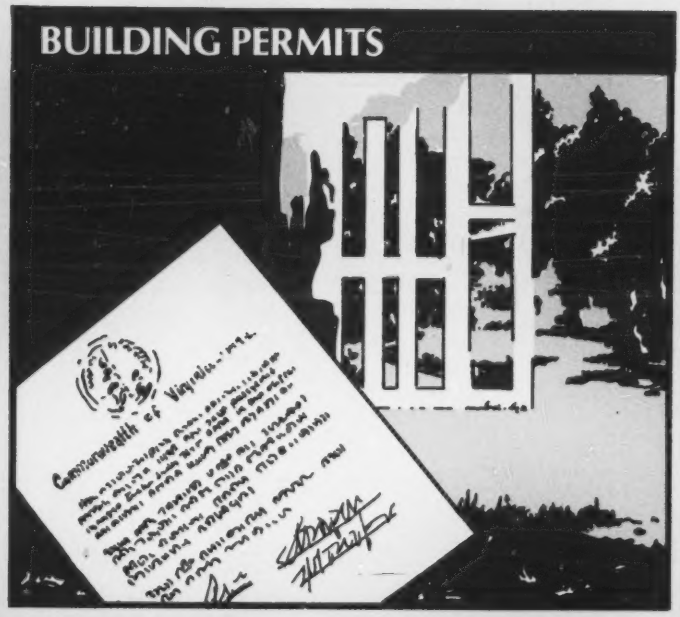
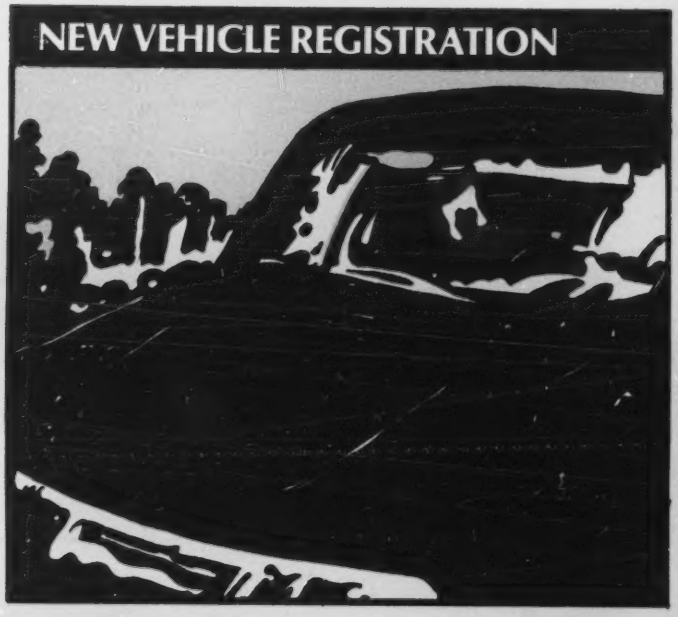
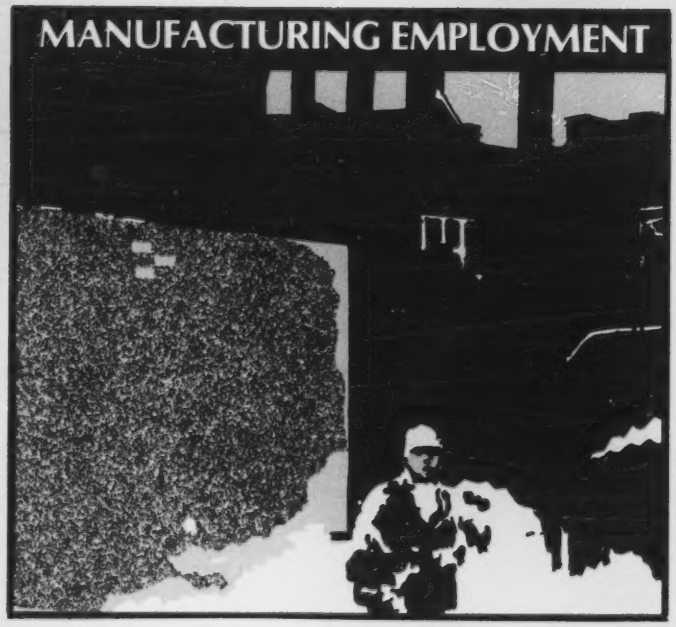
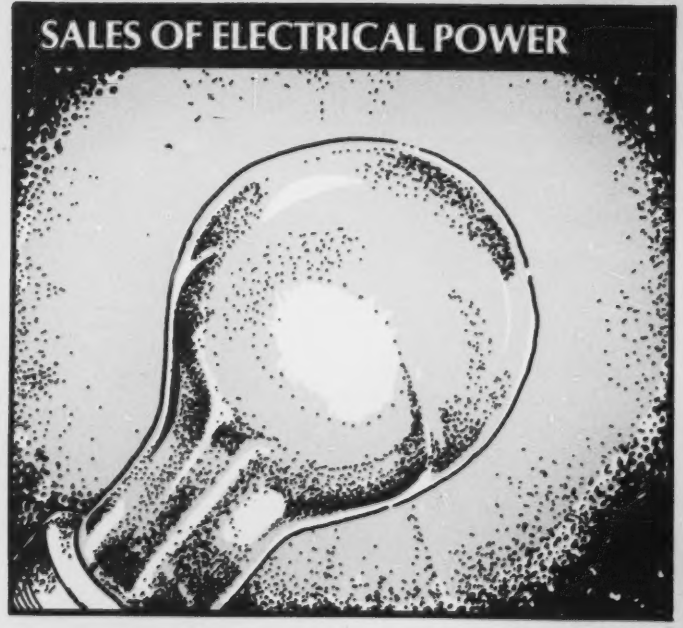
VIRGINIA ECONOMIC INDICATORS

VOL. XVI NO. 1









2nd QUARTER 1984 DATA

INTRODUCTION

From 1967 to 1981 the Research and Analysis Division of the Virginia Employment Commission produced the monthly Virginia Economic Indicators, a publication depicting the movement of Virginia's key economic indicators in graphic and tabular form with accompanying narrative analysis. This publication was well received by the state's business and financial leaders and by members of the economic community. Severe federal budget cuts substained by the Virginia Employment Commission caused the reluctant suspension of this popular publication with the December 1981 issue.

We are now pleased to reinstate the publication of Virginia Economic Indicators on a quarterly basis starting with this issue containing data for the second quarter of 1984. Of the twenty series contained in the old publication, fourteen are contained in this new publication. Because of the discontinuation of the Labor Turnover Program by the Bureau of Labor Statistics in 1981 (also because of federal budget cuts), the four turnover rates--Accessions, New Hires, Quits, Layoffs--are no longer available for either Virginia or the nation. Nonagricultural Job Openings Received and Job Placements by the VEC have also been dropped from this series as statistics published previously are not comparable to current statistics due to administrative changes. Additionally, Electrical Power Sales is not comparable with the series published previously. Our former source of this information, the Public Utilities Association of Virginia, ceased operations in December 1983. It is our hope in the future to be able to add additional indicators on Virginia to the series. While many indicators are available nationally, there is a problem in finding series for which data is broken out at the state level.

We would like to thank Dr. Roy L. Pearson, Acting Director of the Bureau of Business Research at William and Mary, for providing us with electrical power sales data back to 1974. The new series reflects total Electrical Power Sales from most of the major companies serving Virginia, whereas the old series showed only Industrial and Commercial Sales. Dr. Pearson also provided data for the missing years, 1982, 1983, and 1984, on building permits and vehicle registrations.

We welcome any comments, suggestions or questions concerning Virginia Economic Indicators. Please contact Ralph C. Robinson, Director; Research and Analysis Division; P. O. Box 1358; Richmond, Virginia 23211; Telephone (804) 786-7496, for additional information or explanation of the contents of this document.

TABLE OF CONTENTS

	Page
INTRODUCTION	ii
VIRGINIA ECONOMIC HIGHLIGHTS, SECOND QUARTER 1984	v
COMMENTS ON VIRGINIA ECONOMIC INDICATORS, SECOND QUARTER 1984	1
EMPLOYMENT AND UNEMPLOYMENT INDICATORS, JANUARY 1983 TO JUNE 1984	4
Nonagricultural Wage & Salary Employment	
Manufacturing Employment	
Total Unemployment Rate	
Average Weekly Initial Claims	
Average Weekly Insured Unemployment Rate	
U. I. Final Payments	
MANUFACTURING PRODUCTION WORKER INDICATORS, JANUARY 1983 TO JUNE 1984	6
Average Weekly Hours	
Aggregate Manhours	
Average Hourly Earnings	
Average Weekly Earnings	
BUSINESS INDICATORS, JANUARY 1983 TO JUNE 1984	8
New Business Incorporations	
Valuation of Building Permits	
New Vehicle Registrations	
Electrical Power Sales	
DATA SUMMARY, JUNE 1984	10
SUMMARY: MOVEMENT OF INDICATORS, JANUARY 1983 TO JUNE 1984	10
DATA SUMMARY, APRIL AND MAY 1984	11
SEASONALLY ADJUSTED EMPLOYMENT IN NONAGRICULTURAL INDUSTRIES IN VIRGINIA, SECOND QUARTER 1983 AND 1984	12
HISTORICAL SUMMARY, PERFORMANCE OF INDICATORS OVER THE BUSINESS CYCLE	13

VIRGINIA ECONOMIC HIGHLIGHTS
Second Quarter 1984

Nonagricultural Employment statewide, leading all rising indicators for the second quarter, posted an all-time record high level of 2,284,000, an increase of 92,000 jobs for Virginians over second quarter 1983.

Four Major Employment Sectors also reached all-time employment peaks in the quarter on a seasonally adjusted basis:

- Wholesale and Retail Trade Employment was pushed to 503,000 by consumer purchases.
- Services were spurred to 470,000 by tourist activities.
- Transportation and Public Utilities reached 124,000 jobs as state travel increased.
- Finance-Insurance-Real Estate rolls swelled to 115,000 with the renewed housing market.

Coal Production reached 9.5 million tons in the second quarter, 15.9 percent above second quarter 1983, and Mine Employment was 2,000 higher over the year.

Dollar Volume of Building Permits was 14 percent above a year ago, and Construction Employment was at the highest level in four years.

Virginia's Unemployment Rate, seasonally adjusted at 4.4 percent in the second quarter, was at the lowest level in a decade.

State New Motor Vehicle sales, seasonally adjusted, topped the 1978 high in the second quarter.

Virginia Production Worker Earnings reached an all-time record average of $324.93 per week for the quarter.

The State Unemployment Trust Fund at $180 million in the second quarter was at the highest level since 1975.

The National Consumer Price Index for All Urban Consumers at 309.7 for the second quarter (1967 = 100) was up 4.6 percent from last year.

VIRGINIA ECONOMIC INDICATORS

VOL. XVI NO.1 SECOND QUARTER DATA

Cooling Off from the Rapid Pace of the Early Stages of Recovery Indicated in Second Quarter

Of the fourteen indicators, six showed positive direction, while eight reflected a negative trend in June. In May, six indicators were up while, in April, nine indicators rose. The downward trend in positive indicators during those three months points to a possible slowdown from the rapid pace of increase displayed during the early stages of the recovery.

To illustrate, during the second quarter of 1983 when the recovery had just begun, at least eleven indicators advanced in each of the inclusive months. The chart on page 10 shows the performance of the indicators since January 1983. The dashed line represents a six-month moving average of the number of indicators moving positively month-to-month plus one-half of the number showing no change. This moving average attempts to compensate for irregularity present in many of the series and should more clearly reflect the recent trend in the indicators. Over the past twelve months there has been a slow but steady decline in the number of indicators showing positive trends. A slowdown in the rate of advancement often occurs by the second year of the recovery and is viewed by some economists as a positive sign in that a less torrid pace of growth prevents the economy from overheating, keeps inflation down and may prolong the life of the expansion.

The three indicators that generally lead a business contraction or expansion all showed negative trends in June. Average weekly initial claims rose by 28.3 percent over their May level due largely to prefiling for July 4th vacation layoffs. New business incorporations dropped by 8.1 percent and the average workweek showed a very slight drop of 0.1 hour from May.

The April-May trends showed one of the leading indicators up and two down. Average weekly initial claims (-11.1 percent) was the indicator reflecting positive change, while average weekly hours dropped by 0.4 hour or 1.0 percent and new business incorporations showed a very minor decline (-0.8 percent).

The March-April trends showed two leading indicators advancing (average weekly initial claims, average weekly hours) and one (new business incorporations) declining. Based on analysis of the latest three months of data available, it does not appear that a strong negative trend is developing in the three leading indicators. Moreover, because of the significant degree of irregularity in these series, month-to-month changes should be viewed with caution.

Nonagricultural Employment Leads Rising Indicators

Nonagricultural employment continued to expand rapidly during the second quarter although a slowing trend was noted in June. The annual rate of increase was 4.8 percent in April and May compared with 2.4 percent in June. Manufacturing employment did not keep pace with the rest of the nonagricultural categories. Factory employment rose at an annual rate of slightly over one percent in April and May, then lost ground at a rate of two percent in June.

In Virginia, as in most of the nation, the recovery appears to be led by construction and retail trade.

During the second quarter, construction employment averaged 13 percent above what it was the same period of a year ago. The seasonally adjusted valuation of building permits issued in the state took nearly a 37 percent jump between May and June. When compared with the second quarter of 1983, permits this year are nearly 14 percent higher and, when measured against the Consumer Price Index (CPI), the increase over the year is nearly 11 percent. The graphs contained in this publication clearly reflect the spectacular upward spiral in the valuation of building permits issued in Virginia since late 1982. As this has been a period of low inflation, very little of the increase is due to higher costs. Over the year, the building boom has also given major impetus to employment in such manufacturing categories as: lumber and wood products (+10.2 percent); furniture and fixtures (+5.2 percent); stone, clay, and glass (+9.2 percent), and primary metals (+11 percent). The spillover effect has also been seen in nonmanufacturing sectors led by real estate (+7.1 percent), and furniture and home furnishing retailers (+11.6 percent). Although the impact of construction on the state's economy has been a significant one, during the past year and a half, higher interest rates could become a major concern in the months ahead.

Retail trade, the other force behind the recovery, showed employment growth of 6.8 percent between the second quarters of 1983 and 1984, lending support to the claim that the recovery has been consumer-led. Consumers have also shown an inclination to buy big ticket items since the recovery began. New vehicle registrations in the state dropped between May and June 1984, but posted sizeable increases from the previous year in April (+20.2 percent), May (+25.4 percent) and June (+12.6 percent).

Electrical power sales made a strong showing in June, advancing by six percent over its May level. Smaller increases were experienced in April and May. Though this indicator has leveled off in recent months, the higher power requirement of industries in Virginia has given a boost to the state's coal mining industry. Employment in that category is up by 10.6 percent over the year.

Nonagricultural Employment Leads Rising Indicators - (continued)

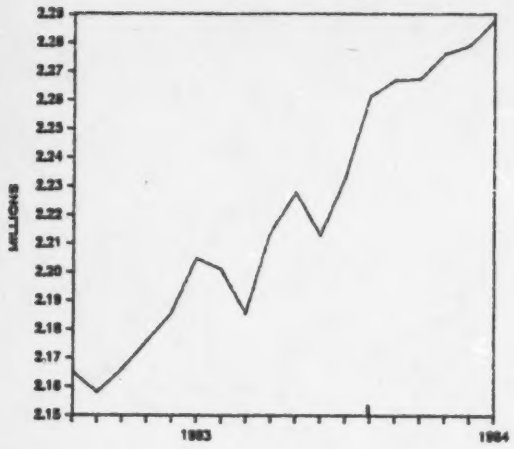
Other indicators showed generally a mixed bag during the three months of the second quarter. The seasonally adjusted unemployment rate edged up by 0.1 percentage points in May and June after declining in April. The insured unemployment rate, which is a measure of persons drawing unemployment compensation, rose in June after declining in May and holding steady in April. Unemployment insurance final payments, an indicator of the number of long-term unemployed, is currently less than half of what it was a year ago. Final payments dropped in June, indicating a positive trend for that month. April and May trends were negative as the number of final payments rose during those months. The average weekly hours of manufacturing production workers declined in May and June after reaching a peak of 40.7 hours in April. Aggregate manhours followed the same trend as weekly hours. Average hourly earnings were up in June after very little change the two previous months, while average weekly earnings posted moderate changes in April and June and a slight decrease in May.

EMPLOYMENT AND UNEMPLOYMENT INDICATORS
January 1983 to June 1984

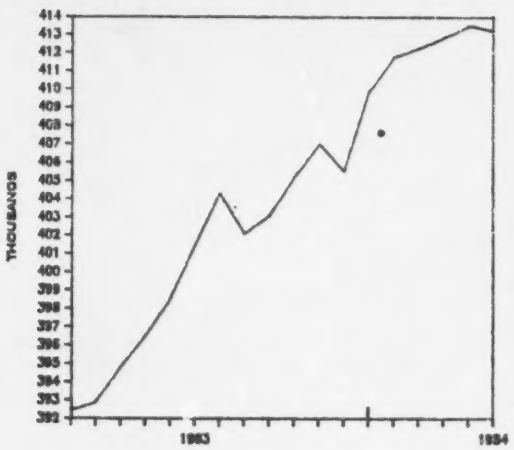
	Nonagricultural Wage & Salary Emp. (Thousands)		Manufacturing Employment (Thousands)		Total Unemployment Rate (Percent)	
1983	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
January	2,121.8	2,165.3	388.5	392.5	8.3	7.5
February	2,115.9	2,156.9	388.8	392.7	8.1	7.2
March	2,139.6	2,165.5	391.6	394.2	7.3	6.9
April	2,168.0	2,178.1	394.1	397.2	6.5	6.6
May	2,192.5	2,191.1	396.6	399.9	6.0	6.2
June	2,232.1	2,208.9	401.5	404.6	5.8	5.5
July	2,215.4	2,205.8	402.5	406.3	5.7	5.7
August	2,199.6	2,191.7	403.4	405.0	5.2	5.6
September	2,229.5	2,214.8	407.7	405.3	4.8	5.3
October	2,238.2	2,225.3	410.3	407.9	5.0	5.4
November	2,224.0	2,228.8	410.9	409.1	5.1	5.3
December	2,251.5	2,230.9	407.6	406.0	5.3	5.2
1984						
January	2,216.4	2,245.6	405.8	409.9	6.1	5.5
February	2,224.1	2,267.2	407.7	411.8	5.4	4.8
March	2,240.3	2,267.5	409.0	412.3	4.7	4.4
April	2,265.0	2,276.4	410.4	412.9	4.3	4.3
May	2,286.1	2,286.1	411.4	413.5	4.3	4.4
June	2,315.5	2,290.3	413.2	412.8	4.7	4.5

	Average Weekly Initial Claims (Number)		Avg. Wkly. Insured Unemployment Rate (Percent)		U.I. Final Payments (Number)	
1983	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
January	16,327	9,726	3.3	2.3	4,847	5,001
February	8,524	8,573	2.9	2.2	4,416	4,824
March	8,452	9,299	2.6	2.1	6,119	5,113
April	6,905	7,888	2.1	2.0	6,213	4,865
May	5,921	7,440	1.6	1.8	5,002	4,577
June	5,052	5,927	1.4	1.6	4,601	4,104
July	6,489	6,914	1.4	1.6	3,803	3,673
August	4,277	5,743	1.2	1.4	3,459	3,757
September	3,830	5,166	1.0	1.3	2,621	3,109
October	4,983	5,888	1.0	1.3	2,169	2,759
November	5,698	5,808	1.2	1.4	2,375	2,782
December	10,789	6,485	1.3	1.3	2,284	2,298
1984						
January	12,255	7,312	1.9	1.3	2,375	2,459
February	6,459	6,537	1.7	1.3	2,368	2,594
March	5,584	6,103	1.5	1.2	2,814	2,345
April	5,033	5,785	1.2	1.2	3,016	2,360
May	4,098	5,142	1.0	1.1	3,031	2,794
June	5,580	6,596	1.1	1.3	1,987	1,765

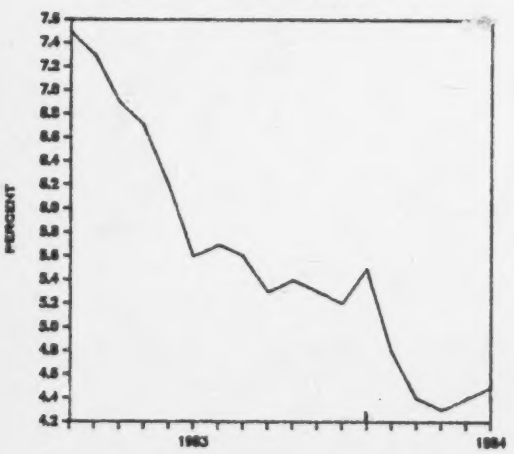
NONAG W & S EMPLOYMENT



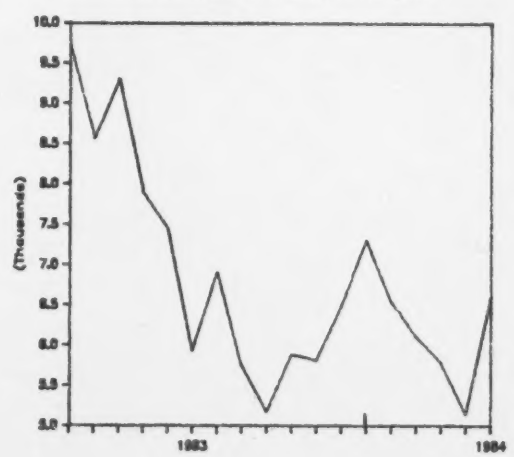
MANUFACTURING EMPLOYMENT



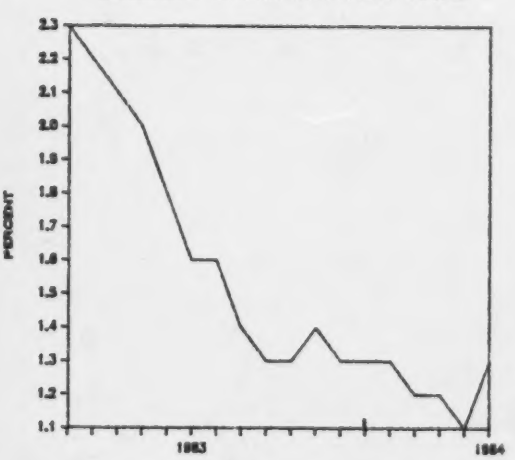
TOTAL UNEMPLOYMENT RATE



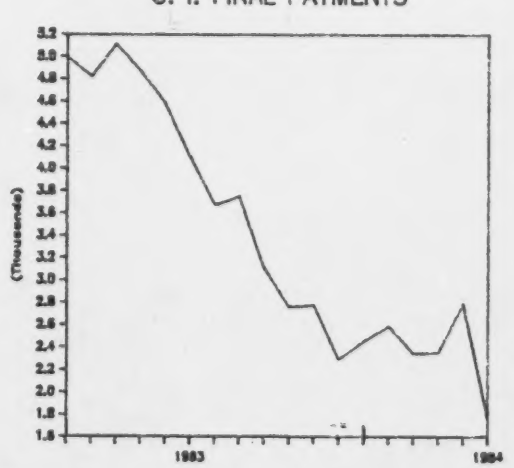
AVG. WEEKLY INIT. CLAIMS



INSURED UNEMPLOYMENT RATE



U. I. FINAL PAYMENTS

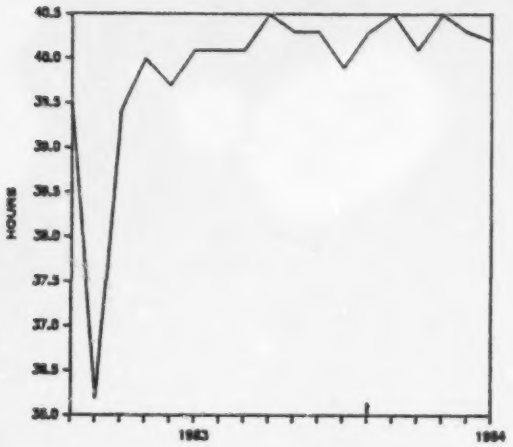


MANUFACTURING PRODUCTION WORKER INDICATORS
January 1983 to June 1984

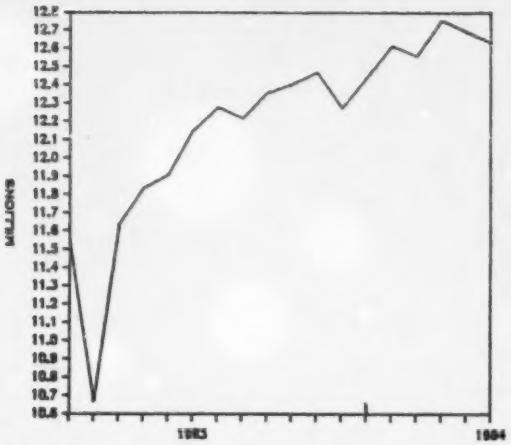
	Average Weekly Hours (Hours)		Aggegate Manhours (Thousands)	
1983	Unadj.	Adj.	Unadj.	Adj.
January	38.9	39.5	11,310.4	11,538.6
February	35.7	36.2	10,423.3	10,670.2
March	39.2	39.4	11,468.3	11,634.5
April	39.4	40.0	11,617.7	11,837.2
May	39.6	39.7	11,799.8	11,910.0
June	40.5	40.1	12,271.2	12,149.6
July	39.9	40.1	12,140.5	12,278.9
August	40.2	40.1	12,271.9	12,217.0
September	40.8	40.5	12,589.5	12,359.6
October	40.5	40.3	12,623.7	12,408.1
November	40.9	40.3	12,771.0	12,472.1
December	40.5	39.9	12,518.0	12,273.1
1984				
January	39.7	40.3	12,193.6	12,442.4
February	39.9	40.5	12,312.1	13,614.9
March	39.9	40.1	12,380.9	13,556.7
April	40.1	40.7	12,514.2	12,756.6
May	40.2	40.3	12,576.3	12,690.5
June	40.6	40.2	12,769.7	12,630.8

	Average Hourly Earnings (Dollars)		Average Weekly Earnings (Dollars)	
1983	Unadj.	Adj.	Unadj.	Adj.
January	7.64	7.55	297.20	298.59
February	7.76	7.76	277.03	281.35
March	7.71	7.72	302.23	304.77
April	7.71	7.72	303.77	306.84
May	7.74	7.77	306.50	308.34
June	7.73	7.77	313.07	311.58
July	7.72	7.73	308.03	310.02
August	7.73	7.76	310.75	311.12
September	7.82	7.82	319.06	316.45
October	7.85	7.88	317.93	316.88
November	8.01	7.97	327.61	321.45
December	7.95	7.95	321.98	317.38
1984				
January	8.05	7.95	319.59	321.20
February	7.98	7.98	318.40	323.58
March	8.03	8.04	319.20	321.77
April	8.02	8.03	321.60	324.85
May	8.01	8.03	322.00	323.94
June	8.07	8.11	327.64	326.01

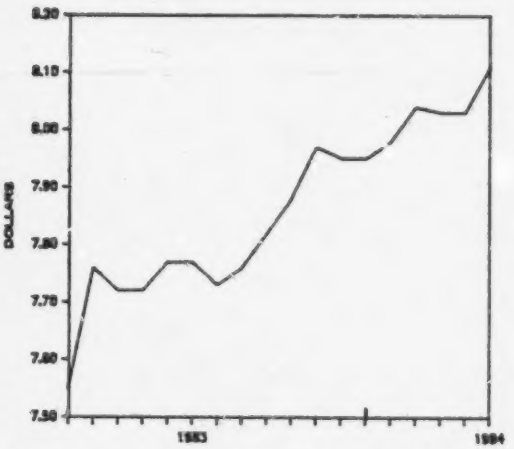
AVERAGE WORKWEEK



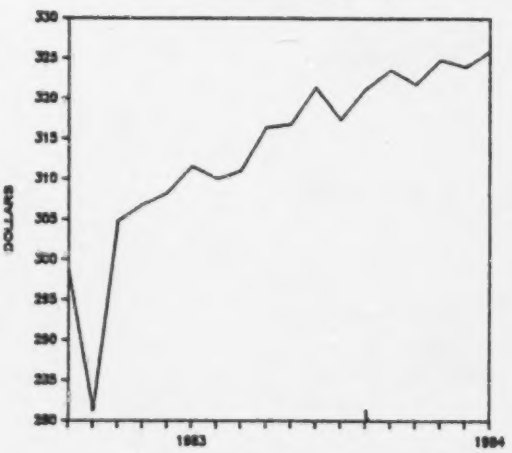
MANHOURS



AVERAGE HOURLY EARNINGS



AVERAGE WEEKLY EARNINGS

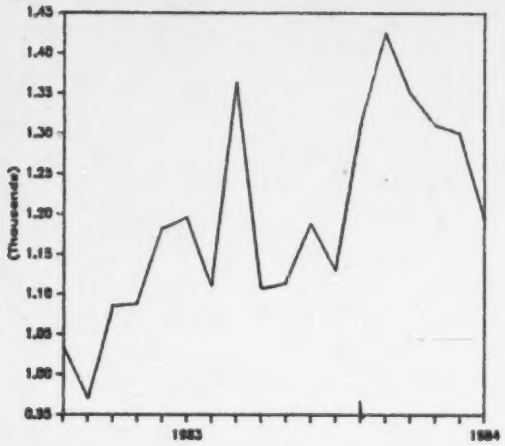


BUSINESS INDICATORS
January 1983 to June 1984

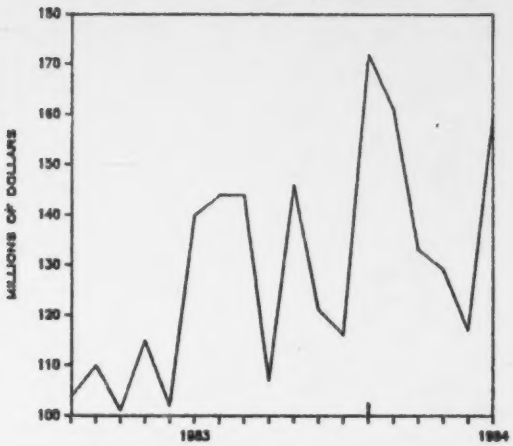
	New Business Incorporations (Number)		Valuation of Bldg. Permits ($ Millions)	
1983	Unadj.	Adj.	Unadj.	Unadj.
January	1,090	1,034	79.2	103.8
February	903	971	75.8	110.2
March	1,187	1,086	123.6	100.9
April	1,178	1,089	131.2	114.6
May	1,186	1,183	107.8	101.8
June	1,244	1,197	160.3	140.0
July	1,006	1,110	160.7	143.6
August	1,374	1,364	141.4	144.2
September	1,102	1,107	106.9	107.1
October	1,116	1,115	153.4	145.7
November	1,081	1,188	129.8	120.5
December	1,113	1,130	86.9	115.6
1984				
January	1,373	1,311	130.4	172.0
February	1,329	1,426	111.1	161.2
March	1,476	1,350	163.5	132.8
April	1,417	1,310	147.1	128.5
May	1,300	1,300	124.1	117.3
June	1,246	1,195	183.5	160.3

	New Vehicle Registrations (Number)		Electrical Power Sales (Mil. of KHW)	
1983	Unadj.	Adj.	Unadj.	Adj.
January	21,960	24,380	3,008.1	2,529.2
February	18,813	21,367	3,161.2	2,783.9
March	30,021	25,153	2,886.8	2,821.7
April	29,208	25,574	2,803.1	3,037.7
May	29,159	27,479	2,504.7	3,022.5
June	33,613	29,188	2,751.1	3,021.0
July	30,651	27,882	3,325.7	3,113.3
August	30,034	28,108	3,567.0	3,209.4
September	27,960	27,519	3,448.5	3,328.5
October	26,103	28,339	2,675.9	3,120.2
November	26,169	30,854	2,740.3	3,100.2
December	23,396	32,573	3,086.4	2,991.5
1984				
January	29,459	32,878	3,777.6	3,169.1
February	28,700	32,466	3,414.4	3,013.6
March	34,898	29,179	3,145.6	3,083.9
April	35,032	30,730	2,882.9	3,120.0
May	36,395	34,465	2,639.7	3,188.0
June	37.953	32,860	3,080.9	3,378.2

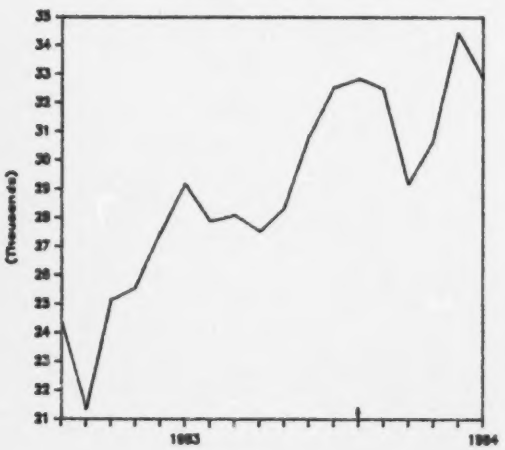
NEW BUSINESS INCORPORATIONS



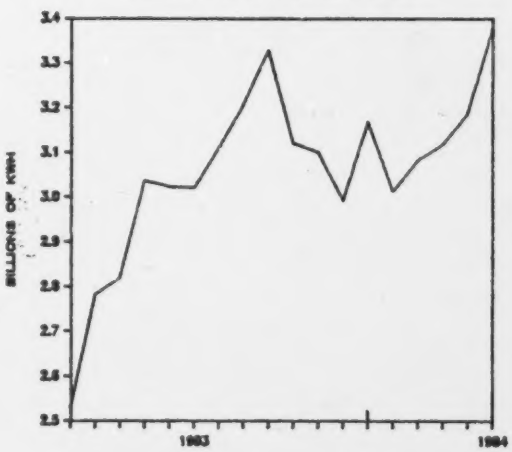
VALUATION OF BUILDING PERMITS



NEW VEHICLE REGISTRATIONS



ELECTRICAL POWER SALES

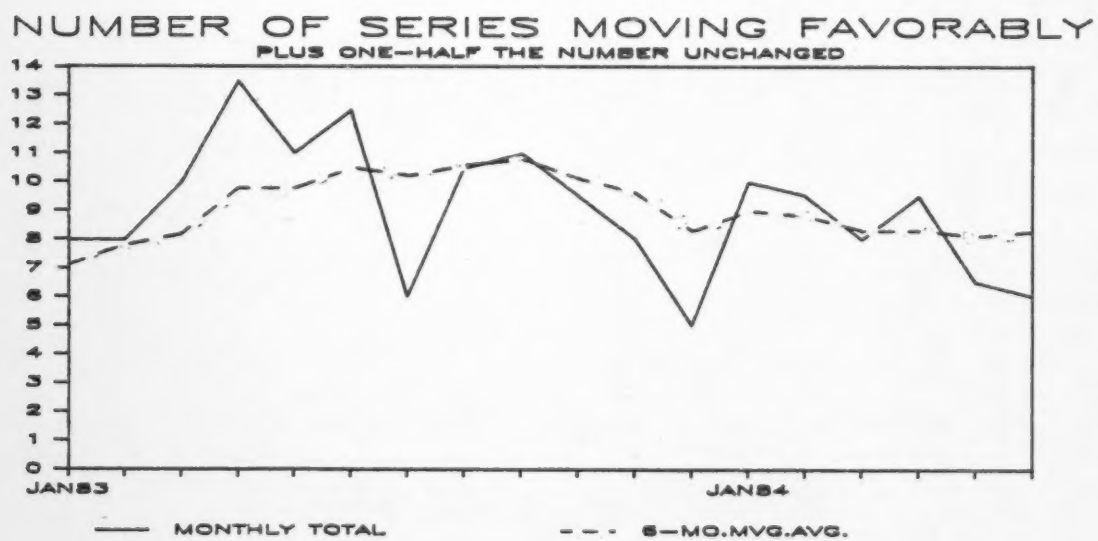


DATA SUMMARY JUNE 1984 (SEASONALLY ADJUSTED DATA)	June 1984	May 1984	June 1983	Percent & (Direction) 1/ of Change May - June
EMPLOYMENT				
*Nonagricultural Wage & Salary Employment (000)	2,290.3	2,286.1	2,208.9	+ 0.2 (+)
*Manufacturing Employment (000)	412.8	413.5	404.6	- 0.2 (-)
UNEMPLOYMENT				
*Total Unemployment Rate (%)	4.5	4.4	5.5	+ 2.3 (-)
Average Weekly Initial Claims	6,596	5,142	5,927	+28.3 (-)
Average Weekly Insured Unemployment Rate (%)	1.3	1.1	1.6	+18.2 (-)
Unemployment Insurance Final Payments	1,765	2,794	4,104	-36.8 (+)
MANUFACTURING PRODUCTION WORKERS				
*Average Weekly Hours	40.2	40.3	40.1	- 0.2 (-)
*Aggregate Manhours (000)	12,630.8	12,690.5	12,149.6	- 0.5 (-)
*Average Hourly Earnings ($)	8.11	8.03	7.77	+ 1.0 (+)
*Average Weekly Earnings ($)	326.01	323.94	311.58	+ 0.6 (+)
BUSINESS				
New Business Incorporations	1,195	1,300	1,197	- 8.1 (-)
Valuation of Building Permits - 18 Cities ($M)	160.3	117.3	140.0	+36.7 (+)
New Vehicle Registrations	32,860	34,465	29,188	- 4.7 (-)
Electrical Power Sales (B of KWH)	3.378	3.188	3.021	+ 6.0 (+)

1/ + = Favorable, - = Not Favorable, 0 = No Change (less than .05%).

* Current month's figures for these series are considered preliminary and are often revised the following month.

SUMMARY



DATA SUMMARY MAY 1984 (SEASONALLY ADJUSTED DATA)	May 1984	April 1984	May 1983	Percent & (Direction) 1/ of Change April - May
EMPLOYMENT				
*Nonagricultural Wage & Salary Employment (000)	2,286.1	2,276.4	2,191.1	+ 0.4 (+)
*Manufacturing Employment (000)	413.5	412.9	404.6	+ 0.1 (+)
UNEMPLOYMENT				
*Total Unemployment Rate (%)	4.4	4.3	6.2	+ 2.3 (-)
Average Weekly Initial Claims (000)	5,142	5,785	7,440	-11.1 (+)
Average Weekly Insured Unemployment Rate (%)	1.1	1.2	1.8	- 8.3 (+)
Unemployment Insurance Final Payments (000)	2,794	2,360	4,577	+18.4 (-)
MANUFACTURING PRODUCTION WORKERS				
*Average Weekly Hours	40.3	40.7	39.7	- 1.0 (-)
*Aggregate Manhours (M)	12,690.5	12,756.6	11,910.0	- 0.5 (-)
*Average Hourly Earnings ($)	8.03	8.03	7.77	0.0 (0)
*Average Weekly Earnings ($)	323.94	324.85	308.34	- 0.3 (-)
BUSINESS				
New Business Incorporations	1,300	1,310	1,183	- 0.8 (-)
Valuation of Building Permits - 18 Cities ($M)	117.3	128.5	101.8	- 8.7 (-)
New Vehicle Registrations	34,465	30,730	27,479	+12.2 (+)
Electrical Power Sales (B of KWH)	3.188	3.120	3.023	+ 2.2 (+)

DATA SUMMARY APRIL 1984 (SEASONALLY ADJUSTED DATA)	April 1984	March 1984	April 1983	Percent & (Direction) 1/ of Change March - April
EMPLOYMENT				
*Nonagricultural Wage & Salary Employment (000)	2,276.4	2,267.5	2,178.1	+ 0.4 (+)
*Manufacturing Employment (000)	412.9	412.3	397.2	+ 0.1 (+)
UNEMPLOYMENT				
*Total Unemployment Rate (%)	4.3	4.4	6.6	- 2.2 (+)
Average Weekly Initial Claims (000)	5,785	6,103	7,888	- 5.2 (+)
Average Weekly Insured Unemployment Rate (%)	1.2	1.2	2.0	0.0 (0)
Unemployment Insurance Final Payments (000)	2,360	2,345	4,865	+ 0.6 (-)
MANUFACTURING PRODUCTION WORKERS				
*Average Weekly Hours	40.7	40.1	40.0	+ 1.5 (+)
*Aggregate Manhours (M)	12,756.6	12,556.7	11,837.2	+ 1.6 (+)
*Average Hourly Earnings ($)	8.03	8.04	7.72	- 0.1 (-)
*Average Weekly Earnings ($)	324.85	321.77	306.84	+ 1.0 (+)
BUSINESS				
New Business Incorporations	1,310	1,350	1,089	- 3.0 (-)
Valuation of Building Permits - 18 Cities ($M)	128.5	132.8	114.6	- 3.2 (-)
New Vehicle Registration	30,730	29,179	25,574	+ 5.3 (+)
Electrical Power Sales (B of KWH)	3.120	3.084	3.038	+ 1.2 (+)

1/ + = Favorable, - = Not Favorable, 0 = No Change (less than .05%).

* Current month's figures for these series are considered preliminary and are often revised the following month.

SEASONALLY ADJUSTED EMPLOYMENT IN NONAGRICULTURAL INDUSTRIES IN VIRGINIA
Second Quarter 1983 and 1984
(In Thousands)

	June 1984	May 1984	April 1984	June 1983	May 1983	April 1983
TOTAL NONAGRICULTURAL	2,290.3	2,286.1	2,276.4	2,208.9	2,191.1	2,178.1
MANUFACTURING	412.8	413.5	412.9	401.2	398.4	396.2
Durable Goods	195.3	193.8	193.5	183.2	180.5	178.3
Lumber & Wood Products	22.5	22.5	22.7	21.0	20.5	20.0
Furniture & Fixtures	24.6	24.3	24.4	23.4	23.1	23.2
Stone, Clay & Glass Products	13.2	13.0	13.1	12.2	12.0	11.9
Primary Metal Industries	11.2	11.1	11.1	10.1	10.1	9.9
Fabricated Metal Products	18.6	18.6	18.6	18.3	18.2	18.1
Machinery (except Electrical)	15.5	15.2	14.8	12.8	12.7	12.5
Electric & Electronic Equipment	39.9	39.1	39.1	37.6	37.2	36.8
Transportation Equipment	43.6	43.6	43.5	41.5	40.7	40.2
Instruments & Related Products	3.4	3.4	3.4	3.4	3.4	3.4
Misc. Manufacturing Industries	2.7	2.8	2.9	2.7	2.7	2.7
Nondurable Goods	218.1	219.5	219.4	218.6	217.9	218.0
Food & Kindred Products	38.1	38.6	39.1	38.9	39.3	39.7
Tobacco Manufactures	14.2	14.4	14.6	17.2	17.3	17.4
Textile Mill Products	43.2	43.8	43.8	43.5	43.0	42.8
Apparel & Other Textile Products	31.5	32.2	32.0	30.8	30.9	31.0
Paper & Allied Products	15.4	15.3	15.2	14.8	14.7	14.7
Printing & Publishing	25.7	25.7	25.5	25.2	24.7	24.8
Chemicals & Allied Products	32.2	32.1	32.4	32.1	32.1	32.0
Petroleum, Rubber & Misc. Plastics Products	14.2	14.0	13.9	12.8	12.8	12.6
Leather & Leather Products	3.3	3.4	3.5	3.4	3.4	3.5
MINING	19.9	19.5	19.7	17.9	18.0	17.9
CONSTRUCTION	127.4	125.0	124.1	113.0	110.7	108.7
TRANSPORTATION & PUBLIC UTILITIES	123.8	124.1	123.9	119.0	119.6	119.3
Railroad Transportation	14.0	14.0	13.8	13.1	13.0	12.7
Trucking & Warehousing	28.6	28.6	28.5	26.4	26.6	26.4
Transportation by Air	13.8	13.8	14.0	13.4	13.2	13.0
Communication	34.7	34.1	34.5	34.0	33.7	34.1
Electric, Gas & Sanitary Services	18.5	18.8	18.8	18.6	18.6	18.8
WHOLESALE & RETAIL TRADE	503.2	503.7	501.8	477.0	474.5	471.2
Wholesale Trade	112.6	112.8	112.5	108.9	108.6	108.2
Retail Trade	390.8	391.3	389.5	368.0	366.2	363.2
FINANCE, INSURANCE & REAL ESTATE	115.8	114.9	114.7	110.1	109.1	108.6
Banking	34.2	34.0	34.1	33.3	33.2	33.3
Insurance Carriers	20.6	20.6	20.6	20.6	20.6	20.6
Real Estate	29.4	28.7	28.3	27.6	26.8	26.4
SERVICES	472.2	469.5	467.8	458.5	454.7	452.4
Personal Services	27.8	27.4	28.2	26.3	25.9	26.2
Business Services	108.4	107.8	107.0	103.2	101.8	100.7
Health Services	119.4	119.2	119.0	118.9	119.1	118.9
GOVERNMENT	513.4	510.2	508.9	509.6	502.2	501.1
Federal Government	164.6	163.4	162.6	161.7	161.5	160.9
State & Local Government	348.9	346.6	346.8	347.8	341.0	340.4

Current month's estimates are preliminary and have been adjusted to first quarter 1983 benchmark levels.

HISTORICAL SUMMARY

Performance of Indicators Over the Business Cycle

GENERAL INFORMATION

For those interested in studying the business cycle in Virginia, this publication includes several of the economic time series for which data is readily available on a monthly basis. From time to time, new series will be added and, if necessary, others presently included will be discontinued.

BUSINESS CYCLE TURNING POINTS

The shaded spaces on the charts represent the 1973-75, 1980, and 1981-82 recessions as designated by the National Bureau of Economic Research (NBER). The beginning of a recession is defined as the month when aggregate economic activity in the U. S. reaches a cyclical high, from which it begins to turn down, and the end as the month when it reaches a cyclical low, from which it begins to turn up. According to NBER, the 1973-75 recession began in November 1973 and ended in March 1975, the 1980 recession began in January 1980 and ended in July 1980, and the 1981-82 recession began in July 1981 and ended in November 1982.

SEASONAL ADJUSTMENT

To correlate changes in a time series and changes in the business cycle it is desirable

SEASONAL ADJUSTMENT (continued)

to eliminate, insofar as possible, the effect of irrelevant factors from the data comprising the series. All series currently published in Indicators have been adjusted to minimize regular seasonal fluctuations in the data in order to show only activity related to the business cycle.

MONTHS FOR CYCLICAL DOMINANCE (MCD)

After seasonal adjustment there often remains a significant degree of purely random change, the effect of which can be minimized with a moving average equal in length to the MCD of the series. The MCD is an estimate of the length of the moving average which will reveal the cyclical pattern among the welter of random fluctuations in the data--the greater the MCD the more random and less cyclically significant are monthly changes in the series. Where noted, charts of historical data in this publication represent seasonally adjusted figures which have been averaged according to the MCD of each series.

DATA SOURCES

Nonagricultural Wage and Salary Employment..... Virginia Employment Commission (VEC)

Manufacturing Employment..... VEC

Total Unemployment Rate..... VEC

Average Weekly initial Claims..... VEC

Average Weekly Insured Unemployment Rate..... VEC

Unemployment Insurance Final Payments..... VEC

Average Weekly Hours..... VEC

Aggregate Manhours..... VEC

Average Hourly Earnings..... VEC

Average Weekly Earnings..... VEC

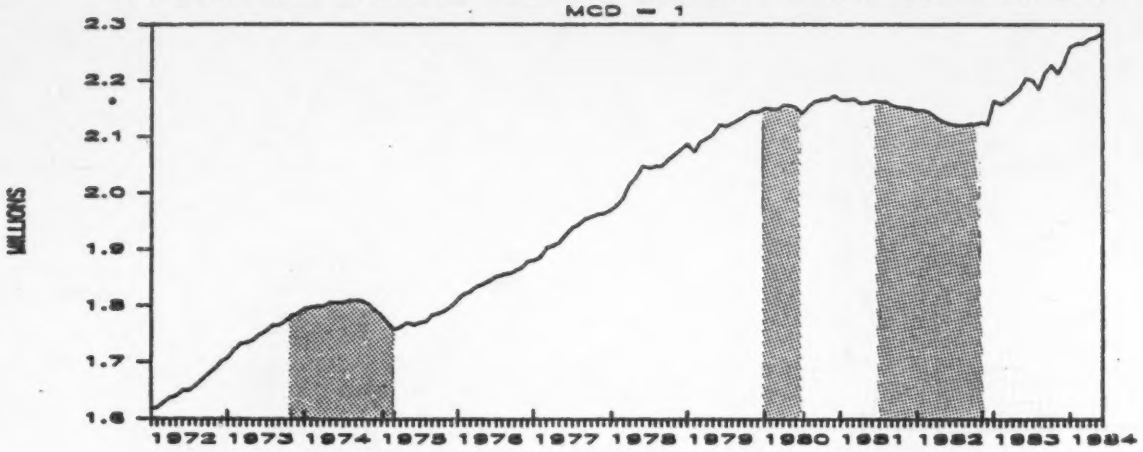
New Business Incorporations..... Virginia State Corporation Commission

Valuation of Building Permits - 18 Cities..... Local Building Inspectors

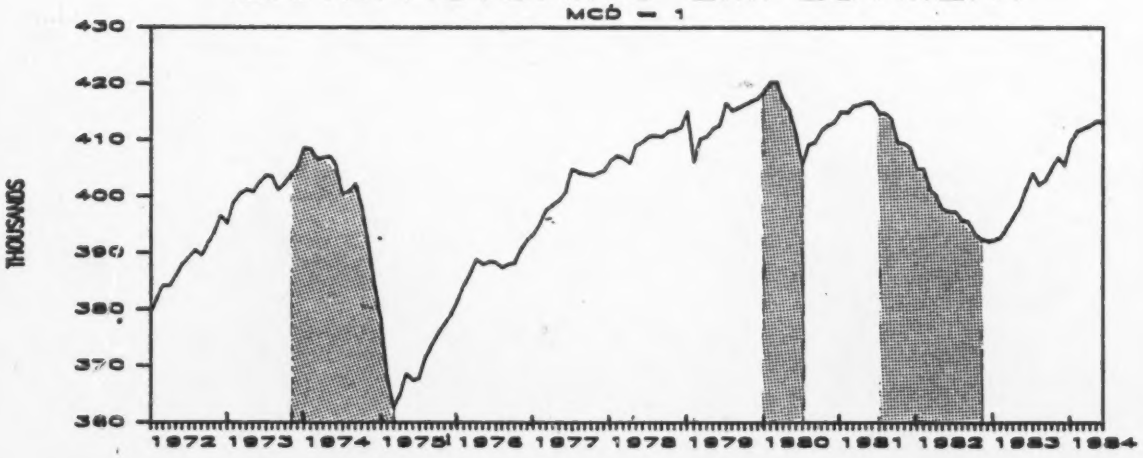
New Vehicle Registration..... Virginia State Division of Motor Vehicles

Commercial and Industrial Power Sales..... VEPCO, Appalachian Power Co., Delmarva Electric Co., Tennessee Power Company

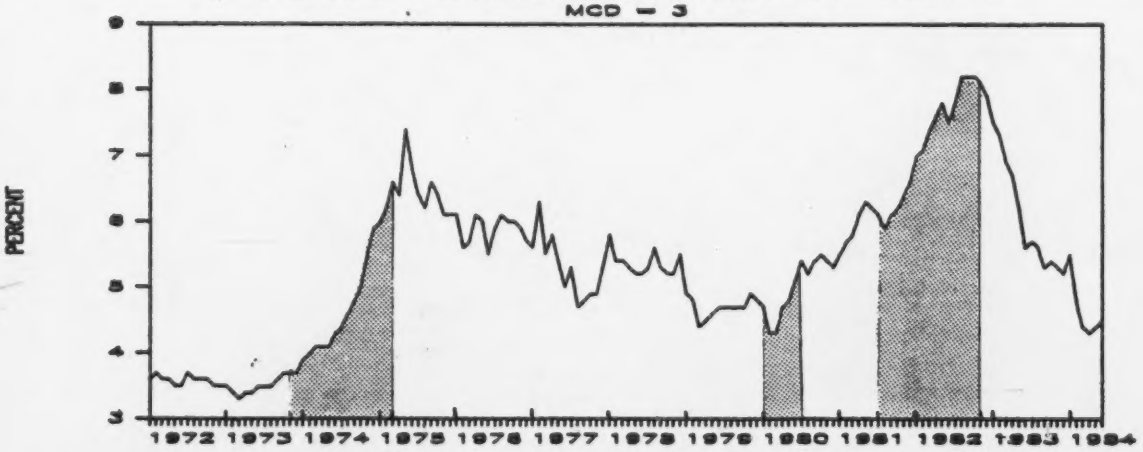
NONAG WAGE & SALARY EMPLOYMENT



MANUFACTURING EMPLOYMENT

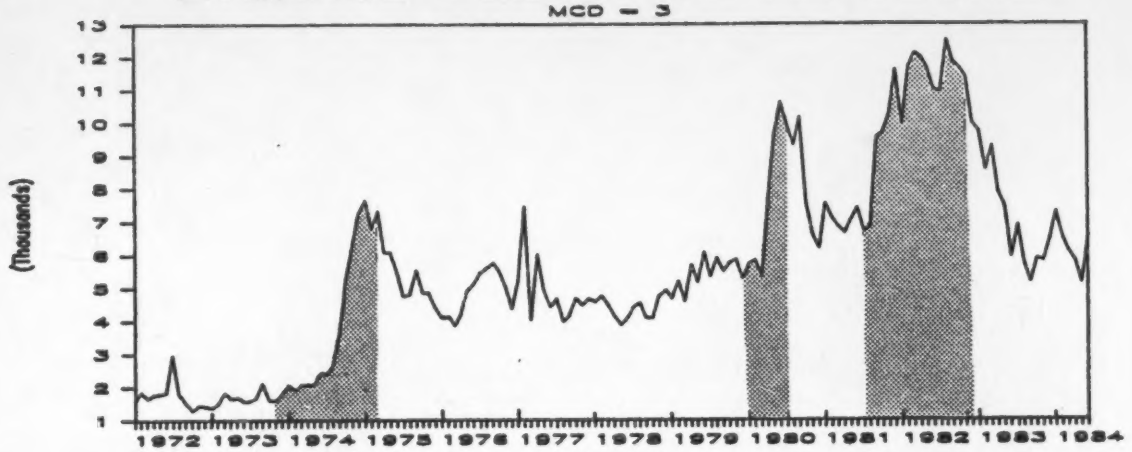


TOTAL UNEMPLOYMENT RATE



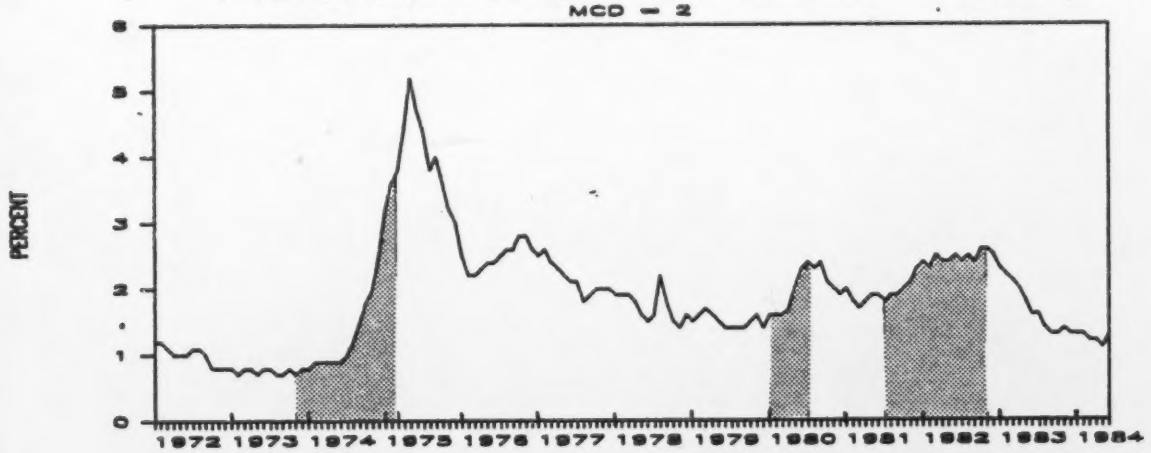
AVERAGE WEEKLY INITIAL CLAIMS

MCD – 3



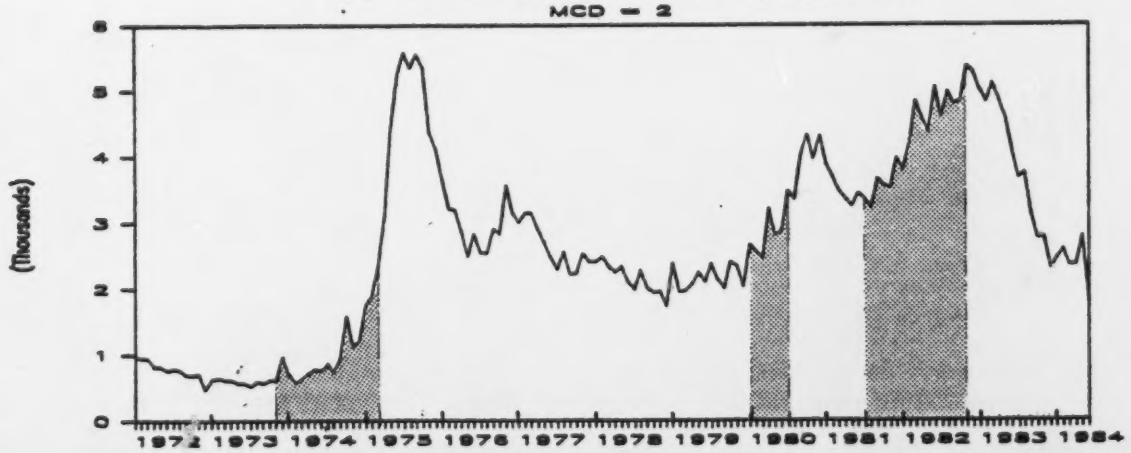
INSURED UNEMPLOYMENT RATE

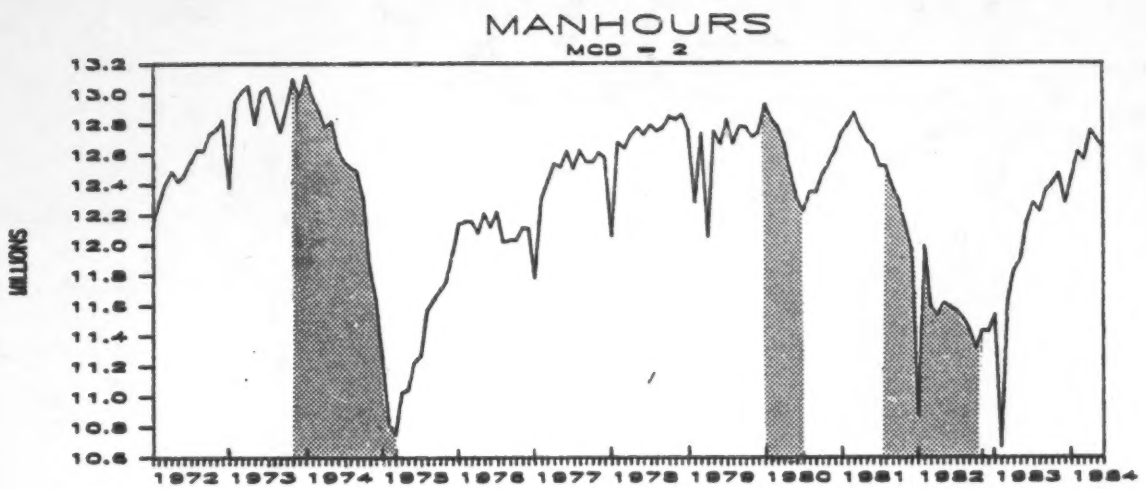
MCD – 2

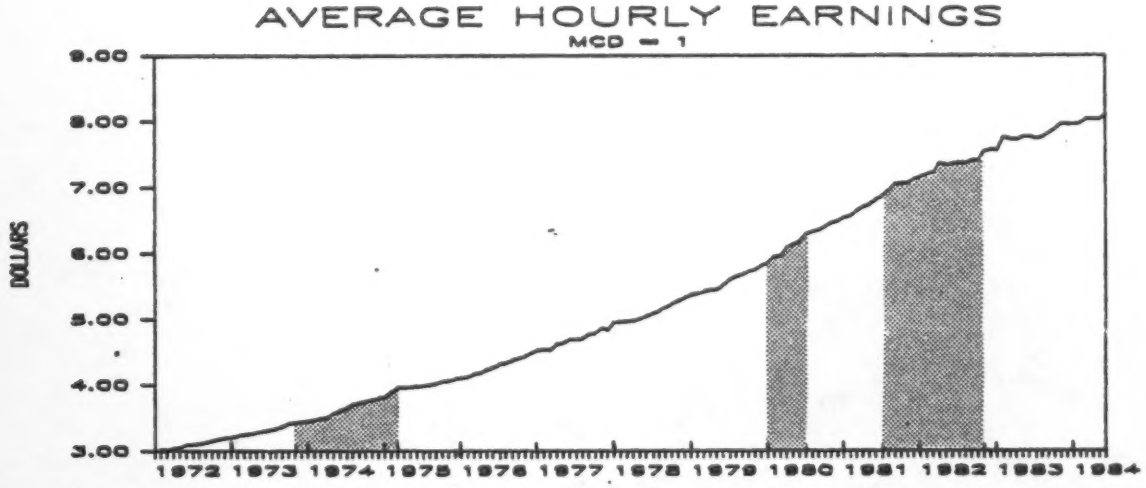


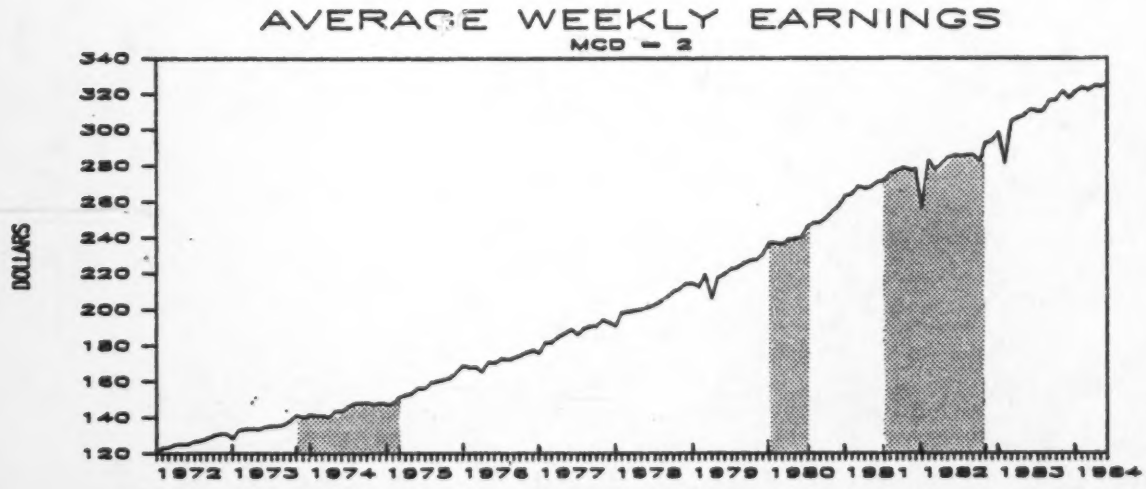
U. I. FINAL PAYMENTS

MCD – 2



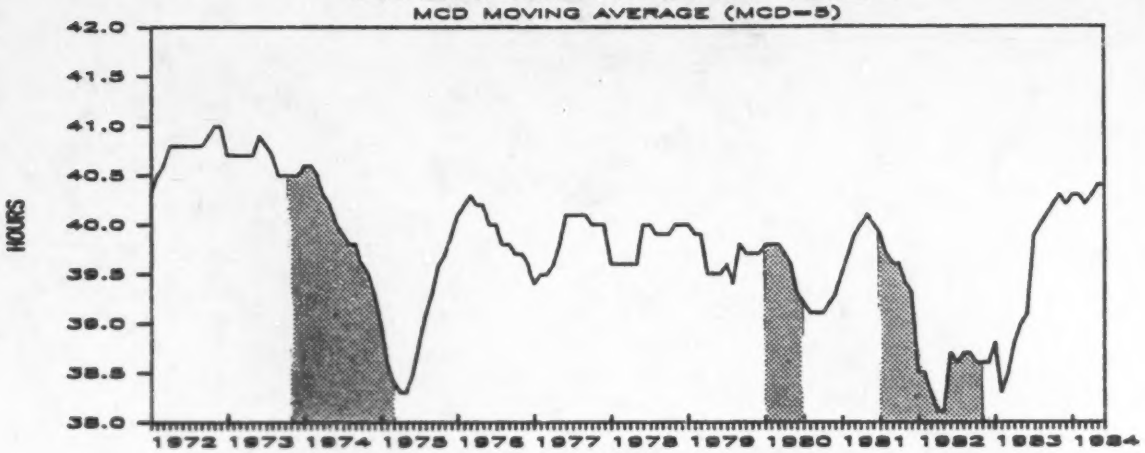

MANHOURS
MCD = 2
MILLIONS
13.2
13.0
12.8
12.6
12.4
12.2
12.0
11.8
11.6
11.4
11.2
11.0
10.8
10.6
1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982 1983 1984


AVERAGE HOURLY EARNINGS
MCD = 1
DOLLARS
9.00
8.00
7.00
6.00
5.00
4.00
3.00
1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982 1983 1984


AVERAGE WEEKLY EARNINGS
MCD = 2
DOLLARS
340
320
300
280
260
240
220
200
180
160
140
120
1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982 1983 1984

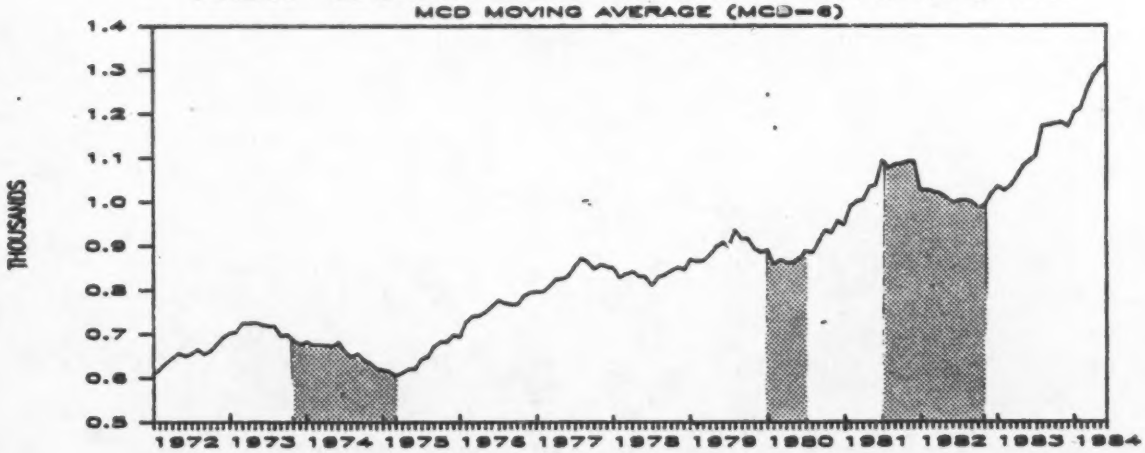
AVERAGE WORKWEEK

MCD MOVING AVERAGE (MCD=5)



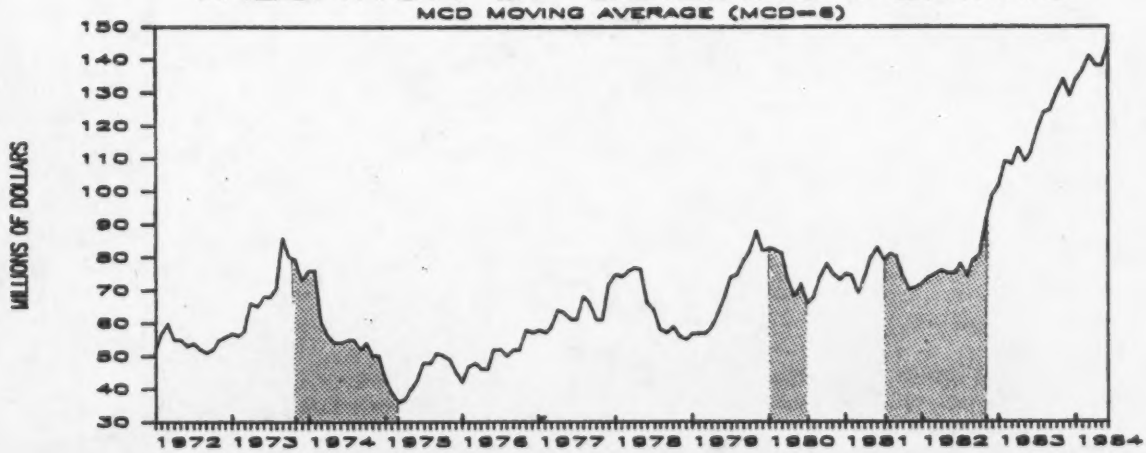
NEW BUSINESS INCORPORATIONS

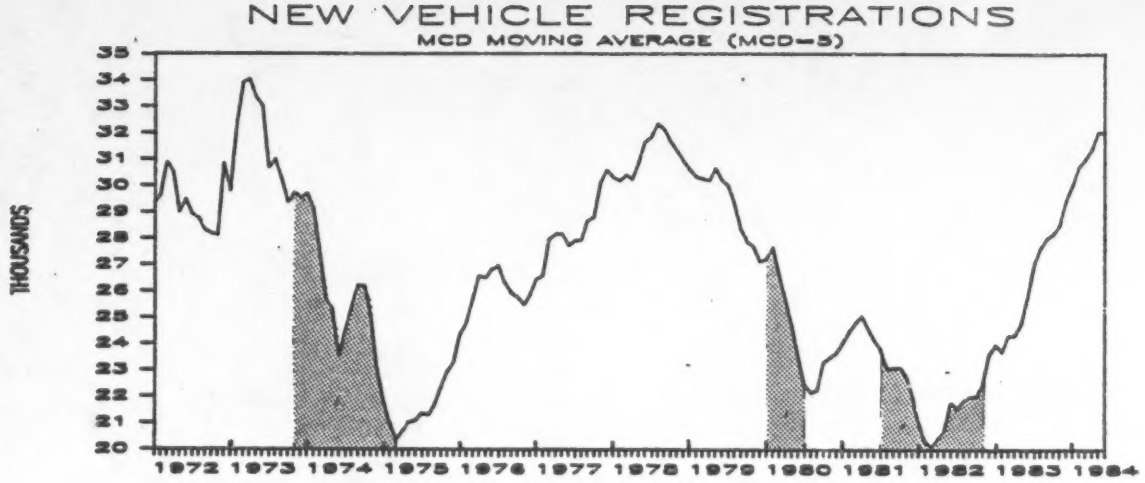
MCD MOVING AVERAGE (MCD=6)

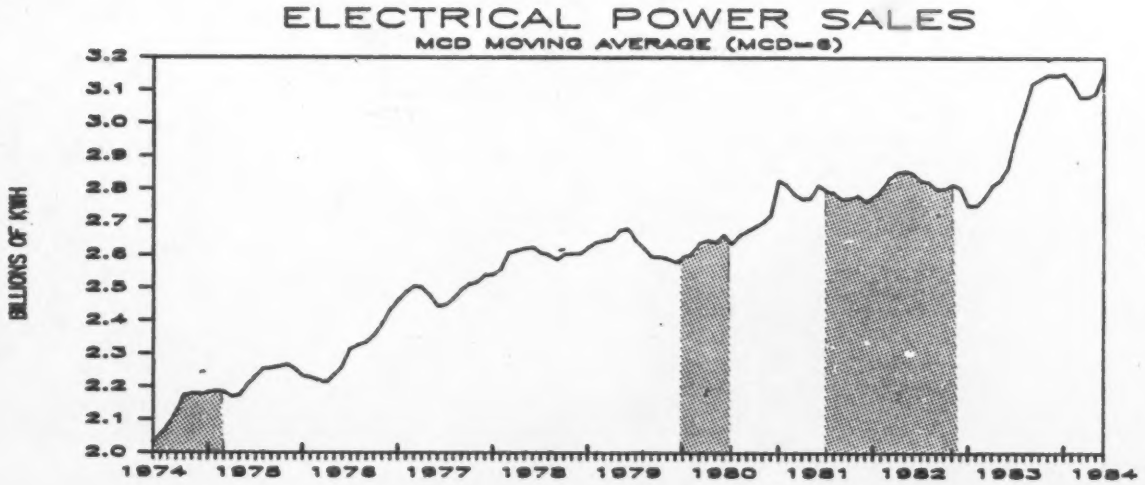


VALUATION OF BUILDING PERMITS

MCD MOVING AVERAGE (MCD=6)




NEW VEHICLE REGISTRATIONS
MCD MOVING AVERAGE (MCD=5)
THOUSANDS
35
34
33
32
31
30
29
28
27
26
25
24
23
22
21
20
1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982 1983 1984


ELECTRICAL POWER SALES
MCD MOVING AVERAGE (MCD=6)
BILLIONS OF KWH
3.2
3.1
3.0
2.9
2.8
2.7
2.6
2.5
2.4
2.3
2.2
2.1
2.0
1974 1975 1976 1977 1978 1979 1980 1981 1982 1983 1984